

October 10, 2006

Mr. Doug Jensen
Environmental Scientist/Reclamation Engineer
State of Utah – Dept of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Escalante Silver Mine - Rework and Revegetation of Waste Dump - M/210/004

Dear Doug,

The waste dump was reworked and revegetated October 25 - 27, 2005. The past attempt at reclamation of the waste dump had not included placement of adequate water traps; subsequent rains had washed the fertilizer/seed downgradient to the toe of the slopes.

Approximately 60 tons of aged cow manure were placed both on top and upon the slopes of the waste dump. A contractor operated D8 was then used under supervision by Brant Tritthart (Hecla) to both spread the manure and rip the waste dump with contours located concentric to the dump (resulting furrows were located perpindicular to the slopes). Additional areas, including the original source area for growth media, near the base of the waste dump were treated in similar fashion.

Completion of the ripping was October 26. Brant and Paul Glader hand seeded the waste dump on October 27. Doug Jensen was on site in late morning on October 27.

See enclosed photos – I arrived on site for October 27, and took the photos after the dump was ripped (the camera date is incorrect).

Sincerely,

Paul L. Glader Manager Environmental Services





Lieutenant Governor

State of Utah DEPARTMENT OF NATURAL RESOURCES Division of Oil, Gas & Mining

MICHAEL R. STYLER Executive Director

JOHN R. BAZA Division Director

Inspection Report Minerale Regulatory Program

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October 31, 2005

Permit number: M/021/004 Inspection Date: October 27, 2005

Supervisor

Time: 10:00 AM

Weather: Cool

Mine Name: Escalante Silver Mine **Operator Name:** Hecla Mining Company

> 6500 Mineral Drive Suite 200 Coeur D'alene, Idaho 83815-9408

Inspector(s): Doug Jensen Other Participants: Paul Glader

Mine Status: Inactive

	Elements of Inspection	Evaluated	Comment	Enforcement
1.	Permits, Revisions, Transfer, Bonds			
2.	Public Safety (shafts, adits, trash, signs, highwalls)			
3.	Protection of Drainages / Erosion Control			
4.	Deleterious Material			
5.	Roads (maintenance, surfacing, dust control, safety)			
6.	Concurrent Reclamation			
7.	Backfilling/Grading (trenches, pits, roads,	П		П
	highwalls shafts drill holes)		L	L

- highwalls, shafts, drill holes)
- 8. Water Impoundments
- 9. Soils
- 10. Revegetation
- 11. Air Quality
- 12. Other

Purpose of Inspection:

Hecla was attempting to revegetate a dump which was unsuccessfully recontoured and seeded in 2002. I made this site inspection to witness the latest revegetation effort.

Inspection Summary:

10. Revegetation

The initial revegetation effort was not successful so Hecla added amendments (cow manure) and contour ripped the dump and the apron around the dump. The reclamation work looked good and at the time of my visit Paul and Steve were broadcast seeding the areas which were ripped.

Paul photo-documented this reclamation effort so no photos were taken.

Conclusions and Recommendations:

Overall this revegetation effort is taking place the right time of the year. Ripping the dump in conjunction to the addition of the amendments and seeding should go a long way toward contributing to success of this operation.

Inspector's Signature Date: October 31, 2005	Inspector's Signature Language fensen	Date: October 31, 2005
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Paul Glader, Hecla Mining Co

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